

REGULAR MEETING
May 14, 2001

The Regular Meeting of the Annapolis City Council was held on May 14, 2001 in the Council Chamber. Mayor Johnson called the meeting to order at 7:45 p.m.

Present on Roll Call: Mayor Johnson, Aldermen Hammond, Tolliver, Gilmer, Sachs, McMillan, Carter, Fox, Moyer

Staff Present: City Attorney Goetzke, Planning & Zoning Director Arason

C Alderman Sachs moved to adopt the agenda as presented. Seconded. CARRIED on voice vote.

C Alderman Sachs moved to approve the Journal of Proceedings for: April 9, 2001 Special, April 9, 2001 Closed, April 9, 2001 Regular, April 23, 2001 Special, April 23, 2001 Closed, April 23, 2001 Special and April 30, 2001. Seconded.

Alderman Sachs moved to amend his motion to adopt the minutes for April 9, 2001 Special, April 9, 2001 Closed, April 9, 2001 Regular with the exception of Petitions, Reports and Communications, April 23, 2001 Special, April 23, 2001 Closed, April 23, 2001 Special. Seconded. CARRIED on voice vote.

Alderman McMillan moved that the roll call vote taken on the action of the City Council on April 23, 2001 Closed be provided in the minutes of that meeting. Seconded.

A ROLL CALL vote was taken.

YEAS: Mayor Johnson, Alderman Hammond, McMillan
NAYS: Aldermen Tolliver, Gilmer, Sachs, Carter, Fox, Moyer
DEFEATED: 6-3

The main motion amended CARRIED on voice vote.

C Mayor Johnson proclaimed May 19 through May 27, 2001 to be Safe Boating Week

PETITIONS, REPORTS AND COMMUNICATIONS

1. Gus Strakes
Viper Club of America
13909 Sunnybrook Road
Phoenix, MD 21131

Spoke regarding R-36-00

2. Chris Comer, Director of Government Affairs, COMCAST gave an information briefing regarding programming changes.

3. Julie Stankivic
906 Primrose Road, Apt.204
Annapolis, MD 21403

Spoke against O-26-01

4. Janice Gray
First Night of Annapolis
100 Cathedral Street #100
Annapolis, MD 21401

Spoke in favor of O-9-01, a grant request for First Night Annapolis

5. Erica Matthews
Annapolis Boys and Girls Club
Copeland Street
Annapolis, MD 21403

Spoke in favor of O-9-01, a grant request for Annapolis Boys & Girls Club

6. Greg Galloway
Annapolis Boys and Girls Club
Copeland Street
Annapolis, MD 21403

Spoke in favor of O-9-01, a grant request for First Night Annapolis

7. Deborah Wood
Chesapeake Children's Museum
1332 Swan Drive
Annapolis, MD 21403

Spoke in favor of O-19-01

8. Erich J. Rose
WORA - West Street Residents Association
62 Southgate Avenue
Annapolis, MD 21401

Spoke in favor of O-24-01

LEGISLATIVE ACTION

CHESAPEAKE HARBOUR

R-7-99 For the purpose of annexing certain property lying near Chesapeake Harbour Drive, contiguous to the existing boundary of the City of Annapolis.

Alderman Fox moved to adopt R-7-99 on second reading. Seconded.

Alderman Sachs moved to substitute R-7-99 Revised dated May 9, 2001 for R-7-99. Seconded. CARRIED on voice vote.

Alderman Sachs moved to adopt R-7-99 Revised on second reading. Seconded.

Alderman Tolliver moved to amend R-7-99 Revised as follows:

No. 1

On Page 3, strike lines 9-11:

WHEREAS, the owners of property to be annexed have expressly stated their willingness to annex their property provided each of them is granted a ten-year, non-transferable abatement of City taxes; and

No. 2

On Page 4, strike lines 1-9:

WHEREAS, a ten-year nontransferable abatement of municipal taxes in the area to be

annexed will allow for the realization of an increasing amount of tax revenues during that time which is more desirable than a complete abatement of all tax revenues in the area to be annexed for the entire ten years; and

WHEREAS, such an abatement will in no way disadvantage subsequent owners of property in the area to be annexed as compared to other City residents, but will merely provide a statutorily-authorized tax abatement to owners of property in the area to be annexed as of the date of annexation; and

No. 3

On Page 4, amend lines 11-17 as follows:

WHEREAS, individuals who own property in the area to be annexed ~~at the time of annexation~~ will have contributed (directly or indirectly) to the cost of constructing/maintaining the streets, parks, curbs, roads, sidewalks, street lighting, water lines and sewer infrastructure in the area to be annexed, as well as to the \$200,000 impact fee to be paid to the City pursuant to this Resolution, ~~while individuals who purchased such property after the date of annexation will have made no such contribution~~; and

No. 4

On Page 4, amend lines 19-24 as follows:

WHEREAS, ~~a ten-year nontransferable~~ a ten-year partial property tax abatement will maintain the stability of the area to be annexed by not subjecting the property owners in the annexed area to a sudden increase in taxes ~~and that persons who purchase property within the annexed area following annexation will have the same expectation of or reliance upon the lower County tax rate outside of the City of Annapolis and therefore will not warrant such an abatement~~; and

No. 5

On Page 4, amend lines 27-28 as follows:

strike, "a ten-year nontransferable" add, "ten-year partial"

No. 6

On Page 10, amend lines 14-20 as follows:

4. As of the effective date of the annexation, the owners of each property in the annexed area, ~~owning such property on the effective date of the annexation, shall receive a nontransferable ten-year~~ partial abatement of the payment of the City portion of real property taxes levied on the property ~~calculated as follows: the city portion of the taxes levied on the property shall be reduced each year so that the total of city, county and state real property taxes equals \$2.61 per \$100 (FY 2001, county/state tax rate). As of the date of the annexation, whenever ownership of such property is transferred in whole or in part, t~~The partial abatement of the City portion of the real property taxes levied on that property shall terminate ~~on the tenth anniversary of the effective date of annexation.~~

Seconded.

Alderman Fox moved to amend the amendment as follows:

~~add~~ after the parenthesis (FY 01, county/state tax rate), "These tax rates shall be adjusted to reflect revised FY02 State mandated methodology."

Seconded. CARRIED on voice vote.

Alderman McMillan moved to amend the amendment Revised as follows:

No. 1

On Page 4, amend lines 19-24 as follows:

WHEREAS, ~~a ten-year nontransferable~~ a five-year partial property tax abatement will maintain the stability of the area to be annexed by not subjecting the property owners in the annexed area to a sudden increase in taxes ~~and that persons who purchase property within the annexed area following annexation will have the same expectation of or reliance upon the lower County tax rate outside of the City of Annapolis and therefore will not warrant such an abatement;~~ and

No. 2

On Page 4, amend lines 27-28 as follows:

strike, "a ten-year nontransferable" add, "five-year partial"

No. 3

On Page 10, amend lines 14-20 as follows:

1. As of the effective date of the annexation, the owners of each property in the annexed area, ~~owning such property on the effective date of the annexation; shall receive a nontransferable ten-year partial~~ abatement of the payment of the City portion of real property taxes levied on the property ~~calculated as follows: the city portion of the taxes levied on the property shall be reduced each year so that the total of the City, County and State property tax equals \$2.61 per \$100 (FY01 County, State tax rate). As of the date of the annexation, whenever ownership of such property is transferred in whole or in part,~~ ~~†The~~ partial abatement of the City portion of the real property taxes levied on that property shall terminate ~~on the fifth anniversary of the effective date of annexation.~~

and,

~~add~~ after the parenthesis *(FY01 County, State tax rate)*, "These tax rates shall be adjusted to reflect revised FY02 State mandated methodology."

Seconded. A ROLL CALL vote was taken.

YEAS:Aldermen Hammond, Tolliver, Gilmer, McMillan
NAYS:Mayor Johnson, Aldermen Sachs, Carter, Fox, Moyer
DEFEATED: 5-4

Alderman Hammond moved to amend the amendment as follows:

No. 1

On Page 4, amend lines 19-24 as follows:

WHEREAS, ~~a ten-year nontransferable~~ an eight-year partial property tax abatement will maintain the stability of the area to be annexed by not subjecting the property owners in the annexed area to a sudden increase in taxes ~~and that persons who purchase property within the annexed area following annexation will have the same expectation of or reliance upon the lower County tax rate outside of the City of Annapolis and therefore will not warrant such an abatement;~~ and

No. 2

On Page 4, amend lines 27-28 as follows:

strike, "a ten-year nontransferable" add, "eight-year partial"

No. 3

On Page 10, amend lines 14-20 as follows:

1. As of the effective date of the annexation, the owners of each property in the annexed area, ~~owning such property on the effective date of the annexation, shall receive a nontransferable ten-year partial~~ abatement of the payment of the City portion of real property taxes levied on the property ~~calculated as follows: the city portion of the taxes levied on the property shall be reduced each year so that the total of the City, County and State property tax equals \$2.61 per \$100 (County, State tax rate). As of the date of the annexation, whenever ownership of such property is transferred in whole or in part, t~~The partial abatement of the City portion of the real property taxes levied on that property shall terminate ~~on the eighth anniversary of the effective date of annexation.~~

and,

~~add~~ after the parenthesis ~~(FY01 County, State tax rate).~~, "These tax rates shall be adjusted to reflect revised FY02 State mandated methodology."

Seconded. A ROLL CALL vote was taken.

YEAS:Aldermen Hammond, Tolliver, Gilmer, McMillan
NAYS:Mayor Johnson, Aldermen Sachs, Carter, Fox, Moyer
DEFEATED: 5-4

Alderman McMillan moved to amend the amendment as follows:

On Page 10, amend lines 14-20 as follows:

No. 1

1. As of the effective date of the annexation, the owners of each property in the annexed area, ~~owning such property on the effective date of the annexation, shall receive a nontransferable ten-year partial~~ abatement of the payment of the City portion of real property taxes levied on the property ~~calculated as follows: the city portion of the taxes levied on the property shall be reduced each year \$.66 per \$100 (FY01, difference between city and non-city tax rates). As of the date of the annexation, whenever ownership of such property is transferred in whole or in part, t~~The partial abatement of the City portion of the real property taxes levied on that property shall terminate ~~on the tenth anniversary of the effective date of annexation.~~

~~add~~ after the parenthesis ~~(FY 01, county/state tax rate),~~ "These tax rates shall be adjusted to reflect revised FY02 State mandated methodology."

Seconded. A ROLL CALL vote was taken.

YEAS:Mayor Johnson, Aldermen Sachs, McMillan, Fox, Moyer
NAYS:Aldermen Hammond, Tolliver, Gilmer, Carter
CARRIED: 5-4

A ROLL CALL vote was taken on R-7-99 Revised as amended.

YEAS: Mayor Johnson, Aldermen Sachs, McMillan, Fox, Moyer
NAYS: Aldermen Hammond, Tolliver, Gilmer, Carter
DEFEATED: 5-4 (See Code §2.52.080)

A request was made to repeat the ROLL CALL.

A ROLL CALL vote was taken on R-7-99 Revised as amended.

YEAS: Mayor Johnson, Aldermen Sachs, McMillan, Fox, Moyer
NAYS: Aldermen Hammond, Tolliver, Gilmer, Carter
DEFEATED: 5-4 (See Code §2.52.080)

Alderman McMillan moved to reconsider R-7-99 Revised Amended. Seconded. CARRIED on voice vote.

Alderman Tolliver moved to amend R-7-99 Revised as follows:

[Line references are to R-7-99 Revised, as distributed in May 2001, which is amended by these proposed amendments to the amendments]

Amendment # 6

On page 4, strike lines 19 through 24, inclusive and substitute “Whereas, a partial abatement of City taxes during a seven year period provides an incentive for annexation; and”

and

On page 4, line 28, strike “ten year nontransferable tax abatement” and substitute “a seven year partial abatement of City taxes”

and

On page 10, beginning in line 3, strike “of record on the effective date of annexation,”

and

On page 10, line 4, strike “an abatement” and substitute “a partial abatement”

and On page 10, strike lines 14 through 20 and substitute the following:

“1. The property owners of the annexed area shall pay property taxes according to the following terms:

a. As of the effective date of annexation and for each year in the five years thereafter, the owners of each property in the annexed area shall pay property taxes based on a combined City and County property tax rate equal to the prevailing tax rate for non-City residents of the County in each of those years multiplied by the assessed valuation of the property. Each owner shall pay to the County that portion of the tax based on the County tax rate paid by City residents and shall pay to the City the difference between the County’s share and the total City-County tax as described in this paragraph.

b. In the sixth year following annexation, each property owner in the annexed area shall pay the taxes calculated in subparagraph 1(a) above and an additional City tax calculated by multiplying 33 percent of the difference between the rate calculated in 1(a) and the actual combined City and County tax rates paid by City residents

outside of the annexed area.

c. In the seventh year following annexation, each property owner in the annexed area shall pay the taxes calculated in subparagraph 1(a) above and an additional City tax calculated by multiplying 66 percent of the difference between the rate calculated in 1(a) and the actual combined City and County tax rates paid by City residents outside of the annexed area.

d. In the eighth year following annexation, property owners in the annexed area shall pay property taxes based on the same City and County tax rates applied to properties in the non-annexed portions of the City, and there shall be no further abatement of property taxes associated with this annexation."

[This amendment provides for a phasing in of City taxes over a seven year period.]

Seconded. A ROLL CALL vote was taken:

YEAS: Aldermen Hammond, Tolliver, Gilmer, McMillan
NAYS: Mayor Johnson, Aldermen Sachs, Carter, Fox, Moyer
DEFEATED: 5-4

Alderman Gilmer moved to amend R-7-99 Revised as follows:

On page 10, on line 8, strike "upon the forty-fifth day following the date of its passage" and substitute "on October 9, 2001". Seconded.

Alderman Hammond moved to amend R-7-99 Revised as follows:

On page 10, line 8, strike "upon the forty-fifth day following the date of its passage" and substitute "November 9, 2001" Seconded. CARRIED on voice vote.

A ROLL CALL vote was taken on R-7-99 Revised as amended.

YEAS: Mayor Johnson, Aldermen Sachs, Fox, Moyer
NAYS: Aldermen Hammond, Tolliver, Gilmer, McMillan, Carter
DEFEATED: 5-4 (See Code §2.52.080)

R-8-99 For the purpose of exercising the City's right to receive monies paid into escrow under the terms of the 1984 Water Agreement between the City of Annapolis and Chesapeake Harbour, Inc.; and all matters relating to said monies.

Alderman Gilmer moved to adopt R-8-99 on first reading. Seconded. CARRIED on voice vote.

O-3-01 For the purpose of establishing zoning classifications of R3, General Residence District and WMM, Waterfront Mixed Maritime District and Intensely Developed Area (IDA), Limited Development Area (LDA) and Resource Conservation Area (RCA) in the Critical Area Overlay zone for the property located on Chesapeake Harbour Drive off of Edgewood Road known as Chesapeake Harbour, contiguous to the existing boundary of the city of Annapolis; and all matters relating to said zoning map amendment.

Without objection, O-3-01 was withdrawn.

ORDINANCES

O-2-01 For the purpose of clarifying the basis for ineligibility for a taxicab owner's permit due to misdemeanor convictions; and all matters relating to said taxicab licenses.

Alderman Fox moved to adopt O-2-01 on second reading. Seconded.

The meeting recessed at 10:56 p.m. and reconvened at 11:06 p.m.

Alderman Tolliver moved to suspend the rules in order to allow legislative action after 11:00 p.m. Seconded. CARRIED on voice vote.

The Economic Matters Committee reported favorably with amendments on O-2-01.

The Public Safety Committee reported favorably with amendments on O-2-01.

Alderman McMillan moved to amend O-2-01 as follows:

No. 1

On Page 1, lines ~~33-37~~, **37-39** strike "Any person convicted of three or more misdemeanors (exclusive of misdemeanor violations of the city code, minor traffic offenses, and similar non-violent offenses) within the past seven years";

add

"3. Any person convicted of a felony and two misdemeanors, or three or more misdemeanors, within the past seven years. Misdemeanor violations of the city code, minor traffic offenses, and similar nonviolent offenses within the past seven years shall be excluded in making a determination of eligibility for a taxicab drivers permit or a taxicab owners permit. However, misdemeanor convictions that involve the abuse of alcohol, possession of an illegal dangerous controlled substance, or an abuse of an illegal dangerous controlled substance, shall not be excluded in making a determination of eligibility for a taxicab drivers permit or taxicab owners permit."

No. 2

page 2, line 18, add "8. Any person convicted of a second drug or alcohol related misdemeanor within a five year period."

Seconded. CARRIED on voice vote.

The main motion as amended CARRIED on voice vote

Alderman Tolliver moved to adopt O-2-01 Amended on third reading. Seconded. CARRIED on voice vote.

O-5-01 For the purpose of releasing whatever right, title and interest, if any, the City of Annapolis may have in the title to the Rosemary Avenue and Central Avenue street-ends; and all matters generally related to the release of such interest.

Alderman Sachs moved to adopt O-5-01 on second reading. Seconded.

The Finance Committee reported favorably on O-5-01.

The main motion CARRIED on voice vote.

Alderman Sachs moved to adopt O-5-01 on third reading. Seconded. CARRIED on voice vote.

O-8-01 For the purpose of changing the motor vehicle weight limits in residential district zones; and matters generally relating to said limits.

Alderman Fox moved to adopt O-8-01 on second reading. Seconded.

The Public Safety Committee reported favorably with amendments on O-8-01.

Alderman Moyer moved to amend O-8-01 as follows:

No. 1

On Page 1, line 31, *strike* "body weight"; *add* "carrying capacity"

No. 2

On Page 1, line 37, *strike* "body weight"; *add* "carrying capacity"

No. 3

On Page 1, line 38, *strike* "240"; *add* "246"

Seconded. CARRIED on voice vote.

The main motion as amended CARRIED on voice vote.

Alderman Hammond moved to adopt O-8-01 amended on third reading. Seconded. CARRIED on voice vote.

O-10-01 For the purpose of authorizing a one-year extension of an existing lease of certain municipal property located at the City Dock to Chesapeake Marine Tours, Inc. for the purpose of docking and mooring certain boats at the City Dock; and all matters relating to said amendment to lease.

Alderman Fox moved to adopt O-10-01 on second reading. Seconded.

The Finance Committee reported favorably on O-10-01.

CARRIED on voice vote.

Alderman Sachs moved to adopt O-10-01 on third reading. Seconded. CARRIED on voice vote.

O-14-01 Concerning the issuance of not to exceed Twenty-Five Million Dollars (\$25,000,000) aggregate principal amount of special obligation bonds of the City of Annapolis for the purpose of financing the acquisition, construction and equipping of a public parking garage and related land and improvements to be located at the intersection of West Street and Taylor Avenue, such public parking garage to be part of a mixed use project which is expected to include (1) a full-service hotel (2) two office buildings, (3) approximately 200 condominiums and apartments and (4) a performance hall; providing that such bonds shall be issued pursuant to the Tax Increment Finance Act (being Sections 14-201

through 14-214, inclusive, of Article 41 of the Annotated Code of Maryland) and the Special Taxing District Act (being Section 44A of Article 23A of the Annotated Code of Maryland); providing for the sale of such bonds at private negotiated sale to [____], as the underwriter for such bonds; authorizing the Mayor to take such actions as shall be necessary or desirable in connection with the issuance and sale of such bonds, including (without limitation) approving the form of, and executing, the bond purchase agreement and indenture of trust for such bonds, establishing the interest rates for such bonds, and approving the price at which such bonds are sold to the underwriter for such bonds; approving a form of Development Agreement among the City, JBJ Management Company, Inc. and Park Place Associates LLC and a Declaration of Condominium (including Condominium By-Laws) with respect to such public parking garage and project and authorizing the Mayor to execute and deliver such documents; and generally providing for and determining various other matters in connection with the issuance and sale of such bonds and the execution and delivery of such Development Agreement, Declaration of Condominium and Condominium By-Laws.

Alderman Moyer moved to adopt O-14-01 on second reading. Seconded.

Alderman McMillan moved to substitute O-14-01 as follows:

Issuance of Special Obligation Bonds

AN ORDINANCE concerning the issuance of not to exceed Twenty-Five Million Dollars (\$25,000,000) aggregate principal amount of special obligation bonds of the City of Annapolis for the purpose of financing the acquisition, construction and equipping of a public parking garage and related land and improvements to be located at the intersection of West Street and Taylor Avenue, such public parking garage to be part of a mixed use project which is expected to include (1) a full-service hotel (2) two office buildings, (3) approximately 200 condominiums and apartments and (4) a performance hall; providing that such bonds shall be issued pursuant to the Tax Increment Finance Act (being Sections 14-201 through 14-214, inclusive, of Article 41 of the Annotated Code of Maryland) and the Special Taxing District Act (being Section 44A of Article 23A of the Annotated Code of Maryland) and the Revenue Bond Act (being Section 11 of Article VII of the Charter of the City of Annapolis); designating Park Place Development District as a special taxing district; providing for the sale of such bonds at private negotiated sale to [____] Legg Mason Wood Walker, Incorporated, as the underwriter for such bonds; authorizing the Mayor to take such actions as shall be necessary or desirable in connection with the issuance and sale of such bonds, including (without limitation) approving the form of, and executing, the bond purchase agreement and indenture of trust for such bonds, establishing the interest rates for such bonds, and approving the price at which such bonds are sold to the underwriter for such bonds; approving a form of Development Agreement among the City, JBJ Management Company, Inc. and Park Place Associates LLC and a Declaration of Condominium (including Condominium By-Laws) with respect to such public parking garage and project and authorizing the Mayor to execute and deliver such documents; and generally providing for and determining various other matters in connection with the issuance and sale of such bonds and the execution and delivery of such Development Agreement, Declaration of Condominium and Condominium By-Laws.

RECITALS

Pursuant to Sections 14-201 through 14-214, inclusive, of Article 41 of the Annotated Code of Maryland (1997 Replacement Volume and 2000 Supplement) (the "Tax Increment Financing Act") and a resolution (the "Resolution") of the City Council (the "City Council") of the City of Annapolis (the "City"), the City established the Park Place Development

District (the "Development District"), a "development district" (as that term is used in the Tax Increment Financing Act) and the "Park Place Development District Tax Increment Fund" (the "Tax Increment Fund"), a special tax increment fund into which the "tax increment" (as such term is used in the Tax Increment Financing Act) for the Development District is deposited for the purpose of providing funds for the development, redevelopment, revitalization and renovation of the Development District, including, without limitation, the cost of purchasing, leasing, condemning, or otherwise acquiring land and other property, or interest in them, in the Development District or as necessary for the right-of-way or other easement to or from the Development District area; site removal; surveys and studies; relocation of businesses or residents, installation of utilities, and other necessary improvements including streets and roads to, from, or within the Development District, parking, lighting, and other facilities; the construction or rehabilitation of buildings provided that such buildings are to be devoted to a governmental use or purpose; reserves or capitalized interest; necessary costs of issuing bonds; and payment of principal and interest on loans, money advanced or indebtedness incurred by the City for any of the purposes set forth in the Tax Increment Financing Act.

The Tax Increment Financing Act authorizes the City to issue bonds from time to time for the purpose of borrowing funds to be used to fulfill one or more of the purposes of the Tax Increment Financing Act. The payment of the principal of, and interest on, and premium, if any, on the bonds shall be secured by a pledge of the taxes representing the levy on the Tax Increment and other funds deposited in the special tax increment fund established with respect to the Development District established under the Resolution and any other funds made available by the City for such purpose.

The Tax Increment Financing Act provides that no bonds may be issued pursuant to the Resolution until an ordinance is enacted specifying the project to be funded from the proceeds of the bonds and making certain other findings and determinations with respect to the bonds.

Section 44A of Article 23A of the Annotated Code of Maryland (1998 Replacement Volume and 1998 2000 Supplement) (the "Special Taxing District Act") constitutes those provisions of Maryland law authorizing the City to establish a "special taxing district" (as that term is used in the Special Taxing District Act) and a special fund into which the "special taxes" (as that term is used in the Special Taxing District Act) are deposited for the purpose of providing funds for the financing, refinancing or reimbursement for the cost of design, construction, establishment, extension, alteration or acquisition of infrastructure.

Pursuant to the Special Taxing District Act and the Resolution, the City established the Park Place ~~Special Taxing~~ Development District as a "special taxing district" (the "Special Taxing District"), ~~a "special taxing district" (as that term is used in the Special Taxing District Act) and the "Park Place Special Taxing District Special~~ and the "Park Place Development District Special Tax Fund" (the "Special Tax Fund"), a special fund into which the "Park Place ~~Special Taxing~~ Development District Special Tax" to be established by the City Council of the City pursuant to a resolution of the City Council supplemental to the Resolution (the "Supplemental Resolution") (the "Special Tax") shall be deposited.

The owners of at least two-thirds of the assessed valuation of the real property located within the proposed Special Taxing District and at least two-thirds of the owners of the real property located within the proposed Special Taxing District have petitioned the City to designate and create the Special Taxing District, to levy the Special Tax and to issue special obligation bonds as more specifically provided within such petition.

The owners of the real property in the proposed Park Place Special Taxing District plan to acquire, construct and equip a public parking garage, including certain related infrastructure improvements, described in Exhibit 1 attached hereto and made a part hereof, the cost of which parking garage will be funded from the proceeds of the Bonds (defined herein).

Section 11 of Article VII of the Charter of the City (the "Revenue Bond Act") authorizes the City to issue revenue bonds payable solely from the revenues of a revenue producing project. The Bonds will be payable, in part, from certain operating revenues of the parking garage described in Exhibit 1.

Such development will further economic development within the City and thus meet the public purposes contemplated by the Special Taxing District Act, the Tax Increment Financing Act and the Resolution.

The proposed parking garage and related infrastructure improvements will be situated within the proposed Park Place Special Taxing District and shall be reasonably related to other infrastructure improvements within the proposed Park Place Special Taxing District as required by Section 44A(b)(2) of the Special Taxing District Act.

The special obligation bonds issued to finance the acquisition of the proposed parking garage and related infrastructure improvements will be issued and secured pursuant to the provisions of the Tax Increment Financing Act governing tax increment bond financings and, the Special Taxing District Act governing special taxing district bond financings and the Revenue Bond Act.

NOW THEREFORE, IN ACCORDANCE WITH THE TAX INCREMENT FINANCING ACT AND, THE SPECIAL TAXING DISTRICT ACT AND THE REVENUE BOND ACT:

SECTION I. Be it enacted by the City Council of the City of Annapolis (the "City Council"), That:

A. The words and terms used in this Ordinance that are defined in the Special Taxing District Act, the Tax Increment Financing Act or the Resolution shall have the meanings indicated in the Special Taxing District Act, the Tax Increment Financing Act and the Resolution, as the case may be, unless the context clearly requires a contrary meaning.

B. Acting pursuant to the Special Taxing District Act, the Tax Increment Financing Act, the Revenue Bond Act and the Resolution, it is hereby found and determined that (1) the issuance of special obligation bonds, for the purpose of providing funds for the financing of the acquisition of the parking garage and related infrastructure improvements related to the development of the Development District and the Special Taxing District, accomplishes the public purposes of the Special Taxing District Act, the Tax Increment Financing Act, the Revenue Bond Act and the Resolution and, pursuant to this Ordinance, the City has complied with Section 14-206 of the Tax Increment Financing Act and with the provisions of Subsection (e) of the Special Taxing District Act and (2) a contiguous area of the City consisting of the tax lots identified as: Tax Map 7-Z, Grid 9, Parcels 52-59, 75, 76, 122, 651 and 652 and Tax Map 3-Z, Grid 22, Parcel 295, which in the aggregate consists of 11.05 acres, more or less, and all adjoining roads, highways, alleys, rights of way, parks and other similar property in order to form a contiguous area is hereby designated as a "development district" pursuant to Section 14-206 of and a "special taxing district" pursuant to Section 44A(e) of the Special Taxing District Act (to be known as the "Park Place Development District").

C. The parking garage and related infrastructure improvements to be financed as permitted by the Special Taxing District Act and the Tax Increment Financing Act in connection with the Special ~~Tax~~ Taxing District and the Development District are set forth in Exhibit 1 attached hereto and made a part hereof, ~~including costs related to such improvements, a portion of which are intended to be funded with the issuance of the Bonds (hereinafter defined.~~ It is recognized that a portion of the total costs of the parking garage and related improvements will be financed with the issuance of the Bonds. ~~It is recognized that a portion of the total costs shown will be financed with the issuance of the Bonds and that the specific items to be funded and the amount of funding for each item shall be as~~

further specified in documentation approved by the City at the time of the issuance of the Bonds the Development Agreement (defined herein). The parking garage and related infrastructure improvements are either contained within the geographic boundaries of the Special Taxing District and to the extent located outside the Special Taxing District are reasonably related to other infrastructure improvements located within the Special Taxing District.

D. The City hereby covenants to levy the ~~Park Place~~ Special Tax in rate and amount at least sufficient in each year in which any of the Bonds are outstanding to provide for the payment of the principal of and interest on the Bonds to the extent of any deficiency in (1) the ~~tax increment fund~~ Tax Increment Fund and (2) the net operating revenues derived by the City from the operation of the parking garage (such net operating revenues to be further defined in the Supplemental Resolution), and to provide for the payment of City expenses, to the extent such expenses are not otherwise provided for, as provided in Section 12 of the Resolution. The Special Tax also may be levied with respect to refunding bonds issued under the Special Taxing District Act pursuant to the provisions of an ordinance or resolution enacted or adopted by the City in connection with the issuance of such refunding bonds.

E. Pursuant to the provisions of the Resolution and in accordance with the Tax Increment Financing Act, so long as the Bonds remain outstanding, the City shall deposit into the Tax Increment Fund all real property taxes received by the City for any Tax Year after the effective date of the Resolution equal to that portion of the taxes payable to the City representing the levy on the Tax Increment (as defined in the Resolution) that would normally be paid to the City, together with all amounts received from Anne Arundel County representing the levy on the tax increment that would normally be paid to such county, in accordance with the procedures to be established by such county. Notwithstanding the preceding sentence, the City Council may provide for the use of certain monies in the Tax Increment Fund in compliance with Section 8 of the Resolution and the related provisions of the Tax Increment Financing Act. Monies in such Tax Increment Fund shall be pledged to the payment of the Bonds other than those amounts withdrawn as permitted by the preceding sentence; provided, however, that the monies in such Tax Increment Fund may also be pledged by the City for the payment of additional bonds issued by the City under the Tax Increment Financing Act and other authority, if applicable, relating to the public infrastructure improvements described on Exhibit 1 or other projects subject to the provisions of the indenture under which the Bonds will be issued. The City hereby covenants to comply with Section 8 of the Resolution while any Bonds remain outstanding.

F. The special obligation bonds authorized to be issued hereunder (the "Bonds") may be issued in an aggregate principal amount not to exceed Twenty-Five Million Dollars (\$25,000,000) with a rate or rates of interest which shall not exceed [nine percent (9.0%)] per annum. The proceeds of the Bonds will be utilized solely to finance the design, construction, acquisition and equipping of the parking garage and related infrastructure improvements described in Exhibit 1, to establish a debt service reserve fund, fund capitalized interest and pay costs of the expenses related to the issuance of the Bonds as permitted pursuant to the provisions of the Special Taxing District Act and the Tax Increment Financing Act and the Revenue Bond Act. The Bonds may be issued pursuant to the provisions of an indenture at any time or from time to time in one or more series, and each issue or series of the Bonds shall be identified by the year of issue or by some other or additional appropriate designation.

G. As set forth in the Resolution, the Bonds will be payable, first, from the amounts levied and deposited in the Tax Increment Fund created pursuant to the Tax Increment Financing Act and the Resolution, second, from the net operating revenues derived by the City from the operation of the parking garage which are to be described in the Supplemental Resolution and pledged by the City pursuant to the indenture (defined below), and, third to the extent the Tax Increment Fund and such net operating revenues derived by the City from the parking garage do not provide monies in an amount sufficient

for payment of debt service on such Bonds and to the extent amounts are required for deposit in funds and accounts created within such indenture to replenish deficiencies therein or are required to pay certain other expenses described in the Resolution, from the Special Tax to be levied and deposited in the Special Tax Fund and from monies available under the debt service reserve fund and other funds existing under the indenture referred to above. Provisions may be made for municipal bond insurance or any other type of financial guaranty of the Bonds, if applicable. ~~In addition, as may determined by the Mayor, the Bonds may be secured through the establishment of additional sinking funds or the pledge of other assets and revenues toward the payment of the principal and interest on the Bonds, if applicable.~~

H. The Bonds authorized to be issued hereunder are a special obligation of the City and do not constitute a general obligation of the City or a pledge of the City's full faith and credit or taxing power except for the levy of the Special Tax and the pledge of the levy of the Tax Increment as set forth in the Resolution, and the City shall not hereby incur any indebtedness or charge against the general credit or taxing powers of the City, within the meaning of any constitutional provisions, charter provisions or statutory limitation, and the transactions authorized hereby shall not constitute or give rise to any pecuniary liability of the City.

I. The Bonds shall be executed in the name of the City and on its behalf by the Mayor, by manual or facsimile signature, the corporate seal of the City or a facsimile thereof shall be impressed or otherwise reproduced thereon and attested by the Director of Finance by manual or facsimile signature and the Bonds shall be authenticated by the manual or facsimile signature of the Director of Finance or her authorized deputy as may be required by law. The indenture to be entered into between the City and a trustee to be selected (the "Indenture") and, where applicable, all other documents as the Mayor deems necessary to effectuate the issuance, sale and delivery of the Bonds of any series, shall be executed in the name of the City and on its behalf by the Mayor by manual signature, and the corporate seal of the City or a facsimile thereof shall be impressed or otherwise reproduced thereon and attested by the Director of Finance by manual signature. If any officer whose signature or countersignature or a facsimile of whose signature or countersignature appears on the Bonds of any series or any of the aforesaid documents ceases to be such officer before the delivery of the Bonds of such series or any of the other aforesaid documents, such signature or countersignature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. The Mayor, the Director of Finance and other officials of the City are hereby authorized and empowered to do all such acts and things and execute such documents and certificates as the Mayor may determine to be necessary to carry out and comply with the provisions of this Ordinance, subject to the limitations set forth in the Special Taxing District Act, the Tax Increment Financing Act, the Revenue Bond Act and this Ordinance.

J. The Bonds shall be sold by private negotiated sale to [_____]
Legg Mason Wood Walker, Incorporated upon such terms (at, above, or below par) and conditions as the Mayor shall approve. The City Council deems it to be in the best interest of the City to authorize the Mayor to approve the terms of the sale of the Bonds, within the limitations of the Special Taxing District Act, the Tax Increment Financing Act, the Revenue Bond Act and this Ordinance. The City Council further acknowledges and determines that the issuance of the Bonds by the City and the terms and conditions of the Bonds are, in addition to any other conditions set forth in this Ordinance or the Project Documents (as defined in paragraph A of Section II), subject to the following conditions precedent: (1) the approval by resolution of the City Council of the final form of the Development Agreement, including any changes, omissions, insertions and revisions made to one or more of the Development Agreement or other Project Documents (defined herein) as may be considered necessary or desirable by the City or otherwise from the form presented to the City Council at the time of adoption of this Ordinance and the form and contents of the Indenture and such other documents to which the City is a party and which may be

necessary to effectuate the issuance, sale and delivery of the Bonds (including, without limitation, an agreement between the City and Anne Arundel County regarding the deposit of County taxes into the Tax Increment Fund pursuant to the Tax Increment Financing Act); and (2) the execution and delivery by the Mayor of the Development Agreement (defined herein) and the executive order referred to in the following paragraph K of this Ordinance. The approval of any such resolution of the City Council and the execution and delivery by the Mayor of the Development Agreement and such executive order are subject to the discretion of the City Council and the Mayor, respectively, and to the extent that either does not exercise such discretion, neither the City Council or its members, the Mayor or the City shall be subject to any liability.

K. Subject to the provisions of this Ordinance, the Mayor may by executive order:

(1) prescribe the form, tenor, terms and conditions of and security for the Bonds;

(2) prescribe the principal amounts, rate or rates of interest (or the method or methods for determining the rate or rates of interest, which method may include, without limitation, periodic adjustment to the interest rate) which shall not exceed [nine percent (9.0%)] per annum, premiums, if any, denominations, date, maturity or maturities (within the limits prescribed in the Special Taxing District Act and in the Tax Increment Financing Act and the Revenue Bond Act), and the time and place or places of payment of the Bonds, and the terms and conditions and details under which the Bonds may be called for redemption prior to their stated maturities;

(3) appoint a trustee, a bond registrar and a paying agent or agents for the Bonds;

~~(4) approve the form and contents of, and execute and deliver (where applicable), the Indenture and such other documents to which the City is a party and which may be necessary to effectuate the issuance, sale and delivery of the Bonds (including, without limitation, an agreement between the City and Anne Arundel County regarding the deposit of County taxes into the Tax Increment Fund pursuant to the Tax Increment Financing Act);~~

(5)(4) prepare and distribute, in conjunction with the Underwriter for the Bonds, both a preliminary and a final official statement or other similar offering document in connection with the sale of the Bonds, if such preliminary official statement and final official statement or other similar offering document are determined to be necessary or desirable for the sale of the Bonds;

(6)(5) execute and deliver a contract or contracts for the purchase and sale of the Bonds (or any portion thereof) in form and content satisfactory to the Mayor;

(7)(6) determine the time of execution, issuance, sale and delivery of the Bonds and prescribe any and all other details of the Bonds;

(8)(7) approve the terms of the sale of the Bonds, as provided in Paragraph J hereof; of this Section;

(9)(8) provide for the direct or indirect payment of all costs, fees and expenses incurred by or on behalf of the City in connection with the issuance, sale and delivery of the Bonds, including (without limitation) costs of printing (if any) and issuing the Bonds, the funding of reserves, legal expenses (including the fees of bond counsel) and compensation to any person performing services by or on behalf of the City in connection therewith;

~~(10) provide for the payment of interest on the Bonds from Bond proceeds for a period deemed reasonable by the Mayor; and~~

(11)(9) do any and all things necessary, proper or expedient in connection with the issuance, sale and delivery of the Bonds in order to accomplish the legislative policy of the Special Taxing District Act, the Tax Increment Financing Act and the public purposes of this Ordinance, subject to the limitations set forth in the Special Taxing District Act and the Tax Increment Financing Act and any limitations prescribed by this Ordinance.

This delegation of authority to the Mayor is subject to his discretion and to the extent he does not exercise such discretion pursuant to the provisions of this Ordinance, neither such officer nor the City shall be subject to any liability.

L. The provisions hereinafter set forth in Paragraphs L(1), (2), (3), (4) and (5) shall be applicable with respect to the Bonds issued and sold hereunder on the basis that the interest on the Bonds will be excludable from gross income for federal income tax purposes.

(1) The Mayor shall be the officer of the City responsible for the issuance of any Bonds hereunder within the meaning of the Arbitrage Regulations (defined herein). The Mayor shall also be the officer of the City responsible for the execution and delivery (on the date of issuance of the Bonds) of a certificate of the City (the "Section 148 Certificate") which complies with the requirements of Section 148 of the Internal Revenue Code of 1986, as amended ("Section 148"), and the applicable regulations thereunder (the "Arbitrage Regulations"), and such official is hereby directed to execute the Section 148 Certificate and to deliver the same to bond counsel on the date of the issuance of the Bonds.

(2) The City shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Bonds, or of any moneys, securities or other obligations to the credit of any account of the City which may be deemed to be proceeds of the Bonds pursuant to Section 148 or the Arbitrage Regulations (collectively, "Bond Proceeds"). The City covenants that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the City's reasonable expectations on the date of issuance of the Bonds and will be, to the best of the certifying officials' knowledge, true and correct as of that date.

(3) The City covenants and agrees with each of the holders of any of the Bonds that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Bond Proceeds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 and the regulations thereunder which are applicable to the Bonds on the date of issuance of the Bonds and which may subsequently lawfully be made applicable to the Bonds.

(4) The City further covenants that it shall make such use of the proceeds of the Bonds, regulate the investment of the proceeds thereof, and take other and further actions as may be required to maintain the excludability from gross income for federal income tax purposes of interest on the Bonds. All officers, employees and agents of the City are hereby authorized and directed to take such actions, and to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Bonds, as may be necessary or appropriate from time to time to comply with, or to evidence the City's compliance with, the covenants set forth in this Section.

(5) The Mayor, on behalf of the City, may make such covenants or agreements in connection with the issuance of Bonds issued hereunder as he shall deem advisable in order to assure the registered owners of such Bonds that interest thereon shall be and remain excludable from gross income for federal income tax purposes, and such covenants or agreements shall be binding on the City so long as the observance by the City or any such covenants or agreements is necessary in connection with the maintenance of the exclusion of the interest on such Bonds from gross income for federal income tax purposes. The foregoing covenants and agreements may include such covenants or agreements on behalf of the City regarding compliance with the provisions of the Internal Revenue Code of 1986, as amended, as the Mayor shall deem advisable in order to assure the registered owners of such Bonds that the interest thereon shall be and remain excludable from gross income for federal income tax purposes, including (without limitation) covenants or agreements relating to the investment of the proceeds of such Bonds, the payment of rebate (or payments in lieu of rebate) to the United States, limitations on the times within which, and the purpose for which, such proceeds may be expended, or the use of specified procedures for accounting for and segregating such proceeds.

(6) Notwithstanding anything in this Ordinance to the contrary, Bonds issued and sold hereunder may be issued and sold on the basis that the interest on such Bonds will not be excludable from gross income for federal income tax purposes.

M. The authorization to issue Bonds pursuant to this Ordinance shall not be exercised unless, until and to the extent that an appropriation shall have been made for the

expenditure of the proceeds of such Bonds for the public infrastructure improvements and related costs authorized to be financed hereunder. Any approvals, authorizations, or activities provided in this Ordinance shall not constitute, be deemed to constitute, or imply that the City Council, the Mayor, or any department, office or agency of the City approves, favors, authorizes, or consents to any action or activity within or required for the development of the Special Taxing District and the Development District, including any land use approval, requirements for the provision of public utilities or services, or any administrative, judicial, quasi-judicial, or legislative action.

N. Pursuant to Section 14-210(c) of the Tax Increment Financing Act and Subsection (g)(3) of the Special Taxing District Act, except as may be required by the Maryland Constitution, neither this Ordinance, the Resolution, the Bonds, the designation of the Special Taxing District, nor the levy of the Special Tax shall be subject to any referendum by reason of any other State or local law.

O. The authority to issue the Bonds is intended to and shall include the authority to issue refunding bonds. References herein to the "Bonds" shall include refunding bonds where appropriate. In the event that any refunding bonds are issued pursuant to this Ordinance, the outstanding principal amount of any "refunded bonds" (as hereinafter defined) shall not be taken into account in determining the aggregate principal amount of Bonds issued, sold and delivered hereunder. The term "refunded bonds" means any Bonds (i) for the payment of which (both principal and interest) provision has been made from the proceeds (including any earnings on the investment thereof) of Bonds issued pursuant to this Ordinance or (ii) which have been paid from such proceeds, whether such provision for payment, or such payment, is made at or prior to the maturity of such Bonds.

SECTION II: AND BE IT FURTHER ENACTED, THAT:

A. ~~the~~ **The** form, terms and provisions of (1) the Development Agreement among the City, JBJ Management Company, Inc. and Park Place Associates LLC (the "Development Agreement"), the Declaration of Condominium for Park Place, a Condominium, to be executed by Park Place Associates LLC (the "Declaration of Condominium") and the Bylaws for Park Place, a Condominium (the "Condominium Bylaws"; the Development Agreement, the Declaration of Condominium and the Condominium Bylaws are sometimes hereinafter referred to collectively as the "Project Documents") presented to the City Council in connection with the adoption of this Ordinance and hereby directed to be filed among the permanent records of the City are hereby approved and authorized in all respects, and the Mayor is hereby authorized ~~and directed to execute and deliver the Project Documents in the forms presented to the City Council at the time of adoption of this Ordinance; provided, however, that any changes, omissions, insertions and revisions made to one or more~~ **final form** of the Project Documents ~~by the Mayor after the adoption of this Ordinance shall be approved~~ **following the approval** by resolution of the City Council, ~~which resolution shall be administrative in nature and~~ **of such final form of the Project Documents. Such resolution** shall not require a public hearing.

B. The City Council hereby acknowledges that the Development Agreement contains provisions for the competitive selection of a general contractor for the construction and equipping of the public garage and related infrastructure improvements described in Exhibit 1. All such provisions are hereby approved. Based upon (1) the complex and interrelated nature of the design, construction and equipping of the public garage and the other components of the project described in the Development Agreement and (2) the requirements in the Development Agreement for selecting a general contractor through a competitive process involving the City, it is hereby determined that (1) no procedures in addition to those set forth in the Development Agreement are required for the competitive selection of a general contractor for the construction and equipping of the improvements described in Exhibit 1 and (2) any additional or different procedures which may otherwise be utilized by the City in connection with the design, construction and equipping of a

parking garage to be owned by the City are unnecessary in light of the requirements set forth in the Development Agreement and are hereby deemed to be inapplicable to the public parking garage described in the Development Agreement.

SECTION III: AND BE IT FURTHER ENACTED, THAT:

A. The provisions of this Ordinance are severable, and if any provision, sentence, clause, paragraph or part hereof is held or determined to be illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, paragraphs or parts of this Ordinance or their application to other persons or circumstances. It is hereby declared to be the legislative intent that this Ordinance would have been passed if such illegal, invalid, unconstitutional or inapplicable provision, sentence, clause, paragraph or part had not been included herein, and if the person or circumstances to which this Ordinance or any part hereof are inapplicable had been specifically exempted herefrom.

B. This Ordinance shall take effect upon approval this Ordinance being signed by the Mayor, on or following the date of its passage by the City Council.

EXHIBIT 1

**PARKING GARAGE AND RELATED
INFRASTRUCTURE IMPROVEMENTS**

The parking garage and related infrastructure improvements consist of 896 parking spaces of a 1,396 space parking garage, together with related (1) drive aisles, ramps and walkways, (2) garage roof and plaza located above garage roof, (3) general excavation and miscellaneous site work, (4) landscaping, paving, and lighting; (5) land and (6) planning, engineering, architectural, financial consultant and legal expenses.

Seconded. CARRIED on voice vote.

The Finance Committee reported favorably on O-14-01 as amended.

Steward Diana, Esq., Piper & Marbury, 6225 Smith Avenue, Baltimore, Maryland 21209, representing the City of Annapolis, was present and answered questions from the Council.

The main motion as amended CARRIED on voice vote.

Alderman Sachs moved to adopt O-14-01 Amended on third reading. Seconded. CARRIED on voice vote.

O-20-01 For the purpose of repealing and adding new the Code of the City of Annapolis, Chapter 17.10, Stormwater Management.

Alderman Sachs moved to adopt O-20-01 on first reading. Seconded. CARRIED on voice vote.

Referred to the Economic Matters Committee

O-22-01 For the purpose of amending the residential parking permit application process; and matters generally relating to said residential parking permits.

Alderman Hammond moved to adopt O-22-01 on first reading. Seconded.
CARRIED on voice vote.

Referred to the Public Safety Committee

O-24-01 For the purpose of conveying, by deed, the City's rights, title, and interest in the property known as 161, 167, 169, 175, 177, 179 and 181 West Street in the City of Annapolis, to West Village Corporation, subject to certain terms and conditions; providing for the property to be sold at private sale; and all matters generally relating to said conveyance.

Alderman Hammond moved to adopt O-24-01 on first reading. Seconded.
CARRIED on voice vote.

Referred to the Finance Committee

O-26-01 For the purpose of altering the eight election wards of the City of Annapolis; and all matters generally relating to said wards.

Alderman Hammond moved to adopt O-26-01 on first reading. Seconded.
CARRIED on voice vote.

Referred to the Rules and City Government Committee

RESOLUTIONS

R-8-01 For the purpose of designing a contiguous area located on the northeast corner of West Street and Taylor Avenue within the City of Annapolis, Maryland (the "City") as a "development district" as that term is used in Sections 14-201 through 14-214 inclusive of Article 41 of the Annotated Code of Maryland (1997 Replacement Volume and 2000 Supplement) (the "Tax Increment Financing Act"), and designating such identical geographic area as a "special taxing district" pursuant to the terms of Article 23A, Section 44A of the Annotated Code of Maryland (1998 Replacement Volume and 2000 Supplement) (the "Special Taxing District Act"; collectively the Tax Increment Financing Act and the Special Taxing District Act are sometimes referred to hereinafter as the "Acts"), such development district and special taxing district to be known as the "Park Place Development District"; providing for and determining various matters in connection with the establishment of a development district and special taxing district; creating a tax increment fund with respect to the development district and a special tax fund with respect to the special taxing district; allocating certain property taxes with respect to the development district to be paid over to such tax increment fund, and such special taxes with respect to the special taxing district to be paid over to such special tax fund, as provided in the Acts; making certain findings and determinations with respect to such tax increment fund and special tax fund and the use of such tax increment fund and special tax fund; providing that special obligation bonds may be issued from time to time pursuant to an ordinance enacted in accordance with the Acts; providing for the levy of a special tax in compliance with the Special Taxing District Act; and generally providing for and determining various other matters in connection with the development district and special taxing district, such tax increment fund and special tax fund and the issuance and payment of the special obligations bonds issued under the Acts.

Alderman Sachs moved to adopt R-8-01 on second reading. Seconded.

Alderman Hammond moved to substitute R-8-01 Revised dated 5/10/01. Seconded.
CARRIED on voice vote.

The main motion revised dated 5/10/01 CARRIED on voice vote.

R-10-01 For the purpose of expressing the City's strong commitment to a renegotiated rate, under this sewerage service contract with the Federal Government, that is not lower than the rate paid by City residents in the over 35,000 gallons per quarter category, retroactive to March 13, 2000; requiring City Council approval of a renegotiated rate lower than that paid by residents in the over 35,000 gallons per quarter category, or one that is not paid retroactive to March 13, 2000; requiring monthly written reports on the status of negotiations; and all matters relating to said sewerage service.

Alderman Hammond moved to adopt R-10-01 on second reading. Seconded.

A ROLL CALL vote was taken:

YEAS: Aldermen Hammond, Tolliver, Gilmer, McMillan, Moyer

NAYS: Mayor Johnson, Aldermen Sachs, Carter, Fox

CARRIED: 5-4

BUSINESS AND MISCELLANEOUS

1. Finance Committee Recommendations for Action dated April 19, 2001

Alderman Sachs moved to adopt the Finance Committee Recommendations for Action dated April 19, 2001. Seconded.

Alderman Tolliver moved to exclude GT-86-01 from consideration at this meeting. Seconded. CARRIED on voice vote.

The main motion less GT-86-01 CARRIED on voice vote.

2. Payment of Monthly Bills

Alderman Sachs moved to pay the monthly bills. Seconded. CARRIED on voice vote.

3. Appointments

Alderman Gilmer moved to confirm the Mayor's (re)appointments of the following individuals as set forth in a Memoranda dated:

4/25/01 Annapolis Conservancy	Carla W. Wallace
5/3/01 Housing and Community Development Committee	William H. Peters
5/3/01 Plumbing Inspectors	Richard Owens
5/3/01 Environmental Commission	Roger K. Ramsay
5/3/01 Annapolis Conservancy Board	Thomas R. Lippert
5/7/01 Human Relations Commission	Deborah Cross
5/7/01 Human Relations Commission	James R. Turner
5/7/01 Human Relations Commission	Barbara R. Schlossman
5/7/01 Environmental Commission	Richard A. Cooksey
5/8/01 Environmental Commission	Nancy Wallace

5/9/01 Building Board of Appeals Jeffrey C. Henderson
5/9/01 Historic Preservation Commission William E. Schmickle

Seconded. CARRIED on voice vote.

Upon motion duly made, seconded and adopted, the meeting was adjourned at 12:26 a.m.

Deborah Heinbuch, CMC/AAE
City Clerk